

SECOND REGULAR SESSION  
SENATE COMMITTEE SUBSTITUTE FOR  
HOUSE COMMITTEE SUBSTITUTE FOR

# HOUSE BILL NOS. 1861 & 1864

## 97TH GENERAL ASSEMBLY

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Reported from the Committee on Governmental Accountability and Fiscal Oversight, May 1, 2014, with recommendation that the Senate Committee Substitute do pass.

6045S.04C

TERRY L. SPIELER, Secretary.

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### AN ACT

To repeal sections 208.024 and 208.027, RSMo, and to enact in lieu thereof four new sections relating to public assistance benefits, with an existing penalty provision.

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*Be it enacted by the General Assembly of the State of Missouri, as follows:*

Section A. Sections 208.024 and 208.027, RSMo, are repealed and four  
2 new sections enacted in lieu thereof, to be known as sections 208.018, 208.024,  
3 208.027, and 208.238, to read as follows:

**208.018. 1. Subject to federal approval, the department of social  
2 services shall establish a pilot program for the purpose of providing  
3 Supplemental Nutrition Assistance Program (SNAP) participants with  
4 access and the ability to afford fresh food when purchasing fresh food  
5 at farmers' markets. The pilot program shall be established in at least  
6 one rural area and one urban area. Under the pilot program, such  
7 participants shall be able to:**

8 **(1) Purchase fresh fruit, vegetables, meat, fish, poultry, eggs, and  
9 honey with SNAP benefits with an electronic benefit transfer (EBT)  
10 card; and**

11 **(2) Receive a dollar-for-dollar match for every SNAP dollar spent  
12 at a participating farmers' market or vending urban agricultural zone  
13 as defined in section 262.900 in an amount up to ten dollars per week  
14 whenever the participant purchases fresh food with an EBT card.**

15 **2. For purposes of this section, the term "farmers' market" shall  
16 mean a market with multiple stalls at which farmer-producers sell**

**EXPLANATION—Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.**

17 **agricultural products, particularly fresh fruit and vegetables, directly**  
18 **to the general public at a central or fixed location.**

19 **3. Purchases of approved fresh produce by SNAP participants**  
20 **under this section shall automatically trigger matching funds**  
21 **reimbursement into the vendor accounts by the department.**

22 **4. The funding of this pilot program shall be subject to**  
23 **appropriation. In addition to appropriations from the general**  
24 **assembly, the department may apply for available grants and shall be**  
25 **able to accept other gifts, grants, and donations to develop and**  
26 **maintain the program.**

27 **5. The department shall promulgate rules setting forth the**  
28 **procedures and methods of implementing this section. Any rule or**  
29 **portion of a rule, as that term is defined in section 536.010, that is**  
30 **created under the authority delegated in this section shall become**  
31 **effective only if it complies with and is subject to all of the provisions**  
32 **of chapter 536 and, if applicable, section 536.028. This section and**  
33 **chapter 536 are nonseverable and if any of the powers vested with the**  
34 **general assembly under chapter 536 to review, to delay the effective**  
35 **date, or to disapprove and annul a rule are subsequently held**  
36 **unconstitutional, then the grant of rulemaking authority and any rule**  
37 **proposed or adopted after August 28, 2014, shall be invalid and void.**

38 **6. Under section 23.253 of the Missouri sunset act:**

39 **(1) The provisions of this section shall sunset automatically six**  
40 **years after the effective date of this section unless reauthorized by an**  
41 **act of the general assembly; and**

42 **(2) If such program is reauthorized, the program authorized**  
43 **under this section shall sunset automatically twelve years after the**  
44 **effective date of the reauthorization of this section; and**

45 **(3) This section shall terminate on September first of the**  
46 **calendar year immediately following the calendar year in which the**  
47 **program authorized under this section is sunset.**

208.024. 1. Eligible recipients of temporary assistance for needy families  
2 **(TANF) or supplementary nutrition assistance program (SNAP) benefits**  
3 **shall not use such funds in any electronic benefit transfer transaction in any**  
4 **liquor store, casino, gambling casino, or gaming establishment, any retail**  
5 **establishment which provides adult-oriented entertainment in which performers**

6 disrobe or perform in an unclothed state for entertainment, or in any place **for**  
7 **the purchase of alcoholic beverages, lottery tickets, or tobacco products**  
8 or for any item [that is] **the department determines by rule is** primarily  
9 marketed for or used by adults eighteen or older [and/or] **and** is not in the best  
10 interests of the child or household. An eligible recipient of TANF assistance who  
11 makes a purchase in violation of this section shall reimburse the department of  
12 social services for such purchase.

13         2. An individual, store owner or proprietor of an establishment shall not  
14 **knowingly** accept TANF cash assistance funds held on electronic benefit transfer  
15 cards for the purchase of alcoholic beverages, lottery tickets, or tobacco products  
16 or for use in any electronic benefit transfer transaction in any liquor store, casino,  
17 gambling casino, or gaming establishment, any retail establishment which  
18 provides adult-oriented entertainment in which performers disrobe or perform in  
19 an unclothed state for entertainment, or in any place **for the purchase of**  
20 **alcoholic beverages, lottery tickets, or tobacco products** or for any item  
21 [that is] **the department determines by rule is** primarily marketed for or  
22 used by adults eighteen or older [and/or] **and** is not in the best interests of the  
23 child or household. **No store owner or proprietor of any liquor store,**  
24 **casino, gambling casino, gaming establishment, or any retail**  
25 **establishment which provides adult-oriented entertainment in which**  
26 **performers disrobe or perform in an unclothed state for entertainment**  
27 **shall adopt any policy, either explicitly or implicitly, which encourages,**  
28 **permits, or acquiesces in its employees knowingly accepting electronic**  
29 **benefit transfer cards in violation of this section. This section shall not**  
30 **be construed to require any store owner or proprietor of an**  
31 **establishment which is not a liquor store, casino, gambling casino,**  
32 **gaming establishment, or retail establishment which provides adult-**  
33 **oriented entertainment in which performers disrobe or perform in an**  
34 **unclothed state for entertainment to check the source of payment from**  
35 **every individual who purchases alcoholic beverages, lottery tickets,**  
36 **tobacco products, or any item the department determines by rule is**  
37 **primarily marketed for or used by adults eighteen or older and is not**  
38 **in the best interests of the child or household.** An individual, store owner  
39 or proprietor of an establishment who knowingly accepts electronic benefit  
40 transfer cards in violation of this section shall be punished by a fine of not more  
41 than five hundred dollars for the first offense, a fine of not less than five hundred

42 dollars nor more than one thousand dollars for the second offense, and a fine of  
43 not less than one thousand dollars for the third or subsequent offense.

44 **3. Any recipient of TANF or SNAP benefits who does not make at**  
45 **least one electronic benefit transfer transaction within the state for a**  
46 **period of ninety days shall have his or her benefit payments to the**  
47 **electronic benefit account temporarily suspended, pending an**  
48 **investigation by the department of social services to determine if the**  
49 **recipient is no longer a Missouri resident. If the department finds that**  
50 **the recipient is no longer a Missouri resident, it shall close the**  
51 **recipient's benefits. Closure of benefits shall trigger the automated**  
52 **benefit eligibility process under section 208.238. To ensure that**  
53 **benefits are not erroneously closed, a recipient shall notify the**  
54 **department of the reasons he or she cannot be within the state for more**  
55 **than ninety days.**

56 **4. A recipient who does not make an electronic benefit transfer**  
57 **transaction within the state for a period of sixty days shall be provided**  
58 **notice of the possibility of the suspension of funds if no electronic**  
59 **benefit transfer transaction occurs in the state within another thirty**  
60 **days after the date of the notice.**

61 **5. For purposes of this section:**

62 (1) The following terms shall mean:

63 (a) "Electronic benefit transfer transaction", the use of a credit or debit  
64 card service, automated teller machine, point-of-sale terminal, or access to an  
65 online system for the withdrawal of funds or the processing of a payment for  
66 merchandise or a service; and

67 (b) "Liquor store", any retail establishment which sells exclusively or  
68 primarily intoxicating liquor. Such term does not include a grocery store which  
69 sells both intoxicating liquor and groceries including staple foods as outlined  
70 under the Food and Nutrition Act of 2008;

71 (2) Casinos, gambling casinos, or gaming establishments shall not include:

72 (a) A grocery store which sells groceries including staple foods, and which  
73 also offers, or is located within the same building or complex as a casino,  
74 gambling, or gaming activities; or

75 (b) Any other establishment that offers casino, gambling, or gaming  
76 activities incidental to the principal purpose of the business.

208.027. 1. The department of social services shall develop a program to

2 screen each applicant or recipient who is otherwise eligible for temporary  
3 assistance for needy families benefits under this chapter, and then test, using a  
4 urine dipstick five panel test, each one who the department has reasonable cause  
5 to believe, based on the screening **or other information**, engages in illegal use  
6 of controlled substances. Any applicant or recipient who is found to have tested  
7 positive for the use of a controlled substance, which was not prescribed for such  
8 applicant or recipient by a licensed health care provider, or who refuses to submit  
9 to a test, shall[, after an administrative hearing conducted by the department  
10 under the provisions of chapter 536,] be declared ineligible for temporary  
11 assistance for needy families benefits for a period of three years from the date of  
12 the **positive test, test refusal, or** administrative hearing decision, **if**  
13 **requested by the applicant or recipient under subsection 2 of this**  
14 **section**, unless such applicant or recipient, after having been referred by the  
15 department, enters and successfully completes a substance abuse treatment  
16 program and does not test positive for illegal use of a controlled substance in the  
17 six-month period beginning on the date of entry into such rehabilitation or  
18 treatment program. The applicant or recipient shall continue to receive benefits  
19 while participating in the treatment program. The department may test the  
20 applicant or recipient for illegal drug use at random or set intervals, at the  
21 department's discretion, after such period. If the applicant or recipient tests  
22 positive for the use of illegal drugs a second time, then such applicant or recipient  
23 shall be declared ineligible for temporary assistance for needy families benefits  
24 for a period of three years from the date of the **positive test, test refusal, or**  
25 **administrative hearing decision, if requested by the applicant or recipient**  
26 **under subsection 2 of this section.** The department shall refer an applicant  
27 or recipient who tested positive for the use of a controlled substance under this  
28 section to an appropriate substance abuse treatment program approved by the  
29 division of alcohol and drug abuse within the department of mental health.

30 **2. An applicant or recipient who is found to have tested positive**  
31 **or who refuses to submit to a test under subsection 1 of this section**  
32 **may request that an administrative hearing be conducted by the**  
33 **department under the provisions of chapter 536, and if requested, such**  
34 **hearing shall be conducted.**

35 **3.** Case workers of applicants or recipients shall be required to report or  
36 cause a report to be made to the children's division in accordance with the  
37 provisions of sections 210.109 to 210.183 for suspected child abuse as a result of

38 drug abuse in instances where the case worker has knowledge that:

39 (1) An applicant or recipient has tested positive for the illegal use of a  
40 controlled substance; or

41 (2) An applicant or recipient has refused to be tested for the illegal use  
42 of a controlled substance.

43 [3.] 4. Other members of a household which includes a person who has  
44 been declared ineligible for temporary assistance for needy families assistance  
45 shall, if otherwise eligible, continue to receive temporary assistance for needy  
46 families benefits as protective or vendor payments to a third-party payee for the  
47 benefit of the members of the household.

48 [4.] 5. The department of social services shall promulgate rules to  
49 develop the screening and testing provisions of this section. Any rule or portion  
50 of a rule, as that term is defined in section 536.010, that is created under the  
51 authority delegated in this section shall become effective only if it complies with  
52 and is subject to all of the provisions of chapter 536 and, if applicable, section  
53 536.028. This section and chapter 536 are nonseverable and if any of the powers  
54 vested with the general assembly pursuant to chapter 536 to review, to delay the  
55 effective date, or to disapprove and annul a rule are subsequently held  
56 unconstitutional, then the grant of rulemaking authority and any rule proposed  
57 or adopted after August 28, [2011] 2014, shall be invalid and void.

**208.238. The department of social services shall implement an  
2 automated process to ensure applicants applying for benefit programs  
3 are eligible for such programs. The automated process shall be  
4 designed to periodically review current beneficiaries to ensure that  
5 they remain eligible for benefits they are receiving. The system shall  
6 check applicant and recipient information against multiple sources of  
7 information through an automated process. If the automated process  
8 shows the recipient is no longer eligible for one benefit program, the  
9 department shall determine what other benefit programs shall be  
10 closed to the recipient.**

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